

Message Text

LIMITED OFFICIAL USE

PAGE 01 BOGOTA 02482 282122 Z

15

ACTION EB-11

INFO OCT-01 ARA-11 ADP-00 AGR-20 CIAE-00 COME-00 INR-09

LAB-06 NSAE-00 RSC-01 STR-08 TRSE-00 CIEP-02 SAL-01

OMB-01 TAR-02 L-03 RSR-01 /077 W

----- 046420

R 282000 Z MAR 73

FM AMEMBASSY BOGOTA

TO SECSTATE WASHDC 6743

LIMITED OFFICIAL USE BOGOTA 2482

E. O. 11652: NA/ A

TAGS: ETRD, CO

SUBJECT: COTTON TEXTILE AGREEMENT

1. DIRECTOR OF COLOMBIAN INSTITUTE OF FOREIGN TRADE (INCOMEX) HAS REQUESTED THAT EMB QUERY DEPT RE POSSIBILITY OF SHIPMENTS OF CATEGORIES 28-64 COTTON TEXTILES ABOVE PRESENT YEAR QUOTA WITH DEDUCTION FROM SUCCEEDING YEAR' S QUOTA.

2. INCOMEX REQUEST INDICATES THAT AS RESULT OF OFFICIAL EMPHASIS ON EXPORT PROMOTION DURING PAST YEAR NUMEROUS SMALL FIRMS BECAME AWARE OF EXPORT POSSIBILITIES AND UNDERTOOK COMMITMENTS TO FOREIGN BUYERS. INCOMEX MAINTAINS THAT INABILITY TO FULFILL PART OF OVER- COMMITMENT RESULTING FROM PRIVATE SECTOR' S LACK OF EXPERIENCE IN EXPORT TRADE WILL DAMAGE PRESTIGE, FINANCIAL SITUATION, AND EXPORT ORIENTATION OF DEVELOPING FIRMS. ACCORDINGLY, INCOMEX REQUESTS PERMISSION TO EXCEED 1972-73 QUOTA IN CATEGORIES 28-64 BY 140,000 SQUARE YARDS AND HAVE THIS EXCESS DEDUCTED FROM 1973-74 QUOTA.

3. EMB APPRECIATES POSSIBLE COMPROMISE OF LOCAL FIRMS IF THEY UNABLE TO FULFILL COMMITMENTS. MANY OF THESE FIRMS ARE SMALL AND NEW TO EXPORT MARKETS. AT SAME TIME WE HAVE MISGIVINGS CONCERNING FUTHER ALTERATIONS TO QUOTA. GOC HAS ON SEVERAL OCCASIONS DURING PAST YEAR MADE LOW- KEY REQUESTS FOR INCREASES IN EXISTING QUOTA, BOTH OVERALL AND FOR SPECIFIC CATEGORIES.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 BOGOTA 02482 282122 Z

FURTHER CONCESSIONS BY THE U. S. COULD WELL LEAD TO GREATER EXPECTATIONS BY GOC RE POSSIBILITY OF SIGNIFICANT ALTERATION OF AGREEMENT.

4. HOWEVER, QUESTION OF WHETHER ADDITIONAL 140,000 SQUARE YARDS ARE APPLIED TO THIS YEAR' S QUOTA FROM THAT OF NEXT YEAR APPEARS RELATIVELY MINOR IN RELATION TO IMPENDING PROBLEM OVER TOTAL RESTRAINT LEVEL FOR CATEGORIES 28-64. INCOMEX OFFICIAL INDICATED IN TELEPHONE CONVERSATION THAT ACTUAL COMMITMENTS FOR MADE- UP GOODS TOTAL ALMOST 3,000,000 SQUARE YARDS. ADDITION OF 140,000 SQUARE YARDS IS DESIGNED TO FULFILL ONLY MOST PRESSING COMMITMENTS ON WHICH SHIPMENTS CANNOT BE DEFERRED TO NEW QUOTA YEAR BEGINNING JULY1, 1973. ACCORDINGLY, IT APPEARS THAT REGARDLESS OF U. S. POSITION ON TRANSFER, THE 1973-74 LEVEL FOR MADE- UP GOODS WILL BE FILLED WITHIN FIRST TWO MONTHS OF QUOTA YEAR. WHEN ASKED WHAT THE INDUSTRY WOULD DO FOR THE REMAINDER OF QUOTA YEAR, INCOMEX OFFICIAL STATED IT WOULD BE NECESSARY TO SEEK NON- U. S. MARKETS. EMB WOULD NEVER- THELESS EXPECT CONSIDERABLE PRESSURE FROM GOC TO INCREASE LEVEL FOR MADE- UP GOODS OR POSSIBLY EVEN TO RENEGOTIATE ENTIRE AGREEMENT.

5. ACTION REQUESTED: WOULD APPRECIATE DEPT' S DECISION RE POSSIBILITY OF OVERSHIPMENT 140,000 SQUARE YARDS IN CATEGORIES 28-64 WITH SUBSEQUENT REDUCTION FROM 1973-74 QUOTA. SACCIO

LIMITED OFFICIAL USE

*** Current Handling Restrictions *** n/a

*** Current Classification *** LIMITED OFFICIAL USE

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 28 MAR 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: golinofr
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973BOGOTA02482
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: n/a
Errors: n/a
Film Number: n/a
From: BOGOTA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t19730339/aaaaiizb.tel
Line Count: 95
Locator: TEXT ON-LINE
Office: ACTION EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: golinofr
Review Comment: n/a
Review Content Flags:
Review Date: 16 JAN 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <16-Jan-2002 by collinp0>; APPROVED <07 FEB 2002 by golinofr>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: <DBA CORRECTED> jms 980102
Subject: COTTON TEXTILE AGREEMENT
TAGS: ETRD, CO
To: EB
SECSTATE WASHDC
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005